

## **BUILDING CONTROL CHARGEABLE ACCOUNTS**

<b>Head of Service/Contact:</b>	Ruth Ormella, Head of Planning
<b>Urgent Decision?(yes/no)</b>	No
<b>If yes, reason urgent decision required:</b>	N/A
<b>Annexes/Appendices (attached):</b>	Annex 1: - Financial report for year ending 31 March 2019
<b>Other available papers (not attached):</b>	Report and Minutes, Environment and Safe Communities Committee 23 October 2018

### **Report summary**

This report summarises the Building Control chargeable account.

### **Recommendation (s)**

**That the Committee:**

- (1) receives and notes the review of the Building Control chargeable account following the end of the 2018/19 financial year as provided within this report.**
- (2) agrees to grant delegated authority to the Head of Planning for the future adjustment of Building Control charges scheme upwards or downwards by 20% in consultation with the Council's Chief Financial Officer to ensure that income will cover the cost of the chargeable service.**

### **1 Implications for the Council's Key Priorities, Service Plans and Sustainable Community Strategy**

- 1.1 The Service Plan includes the implementation of the Building Control Business Plan. Part of the Building Control Business is the need to ensure that the costs for delivering the Service is covered in the fee charging schedule. This report relates to the fee charging schedule for the delivery of this Service.

# Environment and Safe Communities Committee 22 October 2019

## 2 Background

- 2.1 Applications for Building Regulations approval attract charges to cover the cost of checking plans and inspecting work on site to verify compliance.
- 2.2 The principles of the charges regulations require authorities to ensure that the price charged is an accurate reflection of the costs of carrying out the chargeable Building Control functions and for giving chargeable advice relating to Building Regulations. Authorities should not increase their charges above the level of their costs. The principles in the charges regulations require authorities to achieve full cost recovery on their Building Regulation chargeable work and determine standard and individual charges that reflect the cost of the service on individual building projects.
- 2.3 The Building (Local Authority Charges) Regulations 2010 provide that a review of the level of charges is undertaken at the end of the financial year and that a statement is prepared which outlines the chargeable costs, the chargeable income and the amount of any surplus or deficit.

## 3 Proposals

- 3.1 The purpose of reviewing the level of charges is to both reflect the actual cost of undertaking the work and to ensure that the service can respond to Building Regulations applications.
- 3.2 The end of financial year review of the Building Regulations chargeable account for 2018/19 (**Annex 1**) indicates a surplus of £8,226 for the year and this compares to a £2,091 surplus for the previous year.
- 3.3 The chargeable account for 2017/18 generated a 0.8% surplus, indicating that chargeable expenditure was close to exceeding income generated. To address this, new charges were introduced from 1 September 2018 under authority allowing officers to vary tariffs by up to 20% from the approved schedule.
- 3.4 During 2018/19, the new charges were in force for the last 7 months of the year, with the old charges being used for the first 5 months, resulting in the chargeable account generating a 2.8% surplus. It is proposed to increase the charges from 1 April 2020 in line with the Council's Medium Term Financial Strategy, through the annual fees and charges report considered by this Committee in January.
- 3.5 In October 2015, Environment Committee agreed to grant delegated authority to the Building Control Manager, in consultation with the Head of Service and Head of Financial Services, to adjust Building Control charges upwards or downwards by 20%. This report seeks agreement to replicate that delegated authority to the Head of Planning and Chief Finance Officer.

Environment and Safe Communities  
Committee  
22 October 2019

**4 Financial and Manpower Implications**

- 4.1 The financial implications are contained within the body of the report.
- 4.2 **Chief Finance Officer's comments:** Officers will work with finance colleagues to continue to monitor Building Control income, balancing the requirements of being competitively priced and complying with the chargeable account guidance.

**5 Legal Implications (including implications for matters relating to equality)**

- 5.1 **Monitoring Officer's comments:** None for the purposes of this report.

**6 Sustainability Policy and Community Safety Implications**

- 6.1 None for the purposes of this report.

**7 Partnerships**

- 7.1 None for the purposes of this report.

**8 Risk Assessment**

- 8.1 It is not considered that any significant risks arise from this report.

**9 Conclusion and Recommendations**

- 9.1 The Committee is asked to note the review of the Building Control chargeable account following the end of the 2018/2019 financial year, provided within this report.

**Ward(s) affected:** (All Wards);